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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

National Intelligence Officers

NFAC-5343-80
29 July 1980

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

THROUGH : Deputy Director for National Foreign Assessment
National Intelligence Officer for Warning

FROM : National Intelligence Officer for Latin America

SUBJECT : Monthly Warning Assessment: Latin America

1. Action Requested: None; for your information only.
2. Jamaica

Political violence has taken on a more menacing character. The radicals are believed responsible for a growing number of attacks, including against police outposts, which appear aimed at sowing general terror and a breakdown of order, and not merely the intimidation of opposition voters in a given constituency. We still judge that the radicals are too weak to succeed in any effort to lock onto power illegally (10-15 percent chance). But we expect desperate actions, some of which would directly engage US interests. For example:

- attacks on Embassy personnel;
- attacks on US businessmen, especially in the exposed bauxite facilities;
- assassination of prominent Jamaican figures (perhaps Manley or Seaga), which would be blamed on CIA.

3. El Salvador

Distrust, criticism, and political infighting between moderates and conservatives in the armed and security forces appear to be growing. Concern about institutional unity among the officer corps still is strong.

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A military offensive by the extreme left would test this unity, especially if the conservative high command reacted with what the moderate and progressive younger officers supporting Colonel Majano considered indiscriminate violence. The officer corps is thin as it is, and any sizeable losses through open confrontation or resignation would be a hard blow to the Junta government.

4. Nicaragua

The Sandinistas continue to tolerate a measured degree of pluralism and polite relations with the US, in order to gain maximum domestic and international support for their economic reconstruction efforts. Certain contingent developments could provoke them into a more openly authoritarian and Marxist mode over the next several months (20 percent likelihood):

- concern about armed action by weak and scattered anti-Sandinista guerrillas;
- increase in public disorders based on popular impatience with high unemployment and depressed living conditions generally;
- increased fervor as a result of escalation of the civil war in El Salvador.

5. Guatemala

Violence on the part of both the extreme left and right is increasing. The government and the military can probably keep the lid on for some time, and will not face major guerrilla challenges at least until El Salvador is taken over by the extreme left. But the rising level of violence, especially when directed against moderates, will probably increase the international isolation of the government and reduce the opportunities for isolating the extreme left through political reform, economic development, and limited military action.

6. Bolivia

The recent right-wing coup is likely to set in motion several particularly disturbing trends in this troubled nation. We could witness a generally rising level of violence, if and when volatile civilian groups set out to retaliate for the military's unusually brutal tactics in executing the coup. Miner and peasant organizations have declared their intention to resist the regime, and there have been some clashes already. Along the way, heavy-handed moves by the regime could contribute

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to the very radicalization its cynical perpetrators profess to be combating. Successive annulments of presidential elections may already have convinced many civilians that there is no alternative to violence to protect their interests. At the same time, the nation's economy could be seriously disrupted if miners make good their threat to shut down the tin industry, which accounts for much of the country's foreign exchange earnings. Prolonged repression could also lead to splits within the military, if army moderates, who have been trampled upon several times, attempt at some point to reassert themselves and rein in regime excesses. 25X1

[redacted] To the extent that US interests include furthering democracy in South America, Washington could increasingly find itself at odds with Buenos Aires, and possibly Brasilia, over how to treat Bolivia. 25X1

7. Cuba and Latin American Revolutionaries

After recent setbacks, the increased influence of Castro's hard-line advisers and his increased need to reassure himself of the brightness of Cuba's future could lead to greater Cuban willingness to promote guerrilla groups outside of Central America. Chile and now Bolivia would be likely target countries.

8. Soviet Opportunities in Latin America

We judge that the Soviets repeatedly find themselves surprised by the limitations of US "control" over Latin America--which they still view as a US sphere of influence (Cuba aside). For example, Nicaragua surprised them, and the extent of Argentina cooperation on grain sales probably surprised them. Moscow probably now senses greater opportunities for expanding Soviet relations and influence. We expect them to be cautious--still fearful of US power advantages in the regime and still concerned about the costs for supporting weaker "client" states. But we also expect them to be less cautious than in the past--especially in the area of increased state-to-state relations and funding of communist parties.



Jack Davis

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